

_____ **AMENDMENT**

to the

INTERCONNECTION AGREEMENT – WISCONSIN

by and between

WISCONSIN BELL, INC. D/B/A SBC WISCONSIN

AND

KMC TELECOM, INC

The Interconnection Agreement (“the Agreement”) by and between KMC Telecom, Inc (“KMC”) and Wisconsin Bell, Inc. d/b/a SBC Wisconsin¹ (“SBC Wisconsin”) is hereby amended as follows:

1.0. AMENDMENTS TO THE AGREEMENT

Article III of the Agreement is amended by adding the following:

III.10. Terminating Traffic Language

- III.10.1. SBC Wisconsin has opened the KMC NPA-NXX codes which are outlined in Exhibit A and will continue to use commercially reasonable efforts to open future NPA-NXX codes that are not assigned to a SBC Wisconsin Incumbent exchange (“out of area exchanges”) for KMC on SBC Wisconsin’s network.
- III.10.2. Since KMC operates as a CLEC within SBC Wisconsin exchange areas and has a switch and/or a point of interconnection located within SBC Wisconsin exchange areas for the purpose of providing telephone exchange service and exchange access in such exchange areas, SBC Wisconsin will accept traffic at its tandem switch to or from out of area exchanges over local interconnection facilities currently in place, or that may be established, between the Parties up to a DS1 (24 DS0s) level of traffic. When such out of area traffic is Transit Traffic, as that term is defined in the Agreement, KMC agrees to establish direct end office trunks to any third party carrier’s end office when traffic levels exceed one DS1 (24 DS0s) to or from that end office for a period of one months. When such out of area traffic is Local Traffic that is exchanged between

¹ Ameritech Wisconsin d/b/a in Wisconsin has been changed from "Ameritech Wisconsin" to "SBC Wisconsin."

the end users of KMC and SBC Wisconsin, the Parties agree to establish direct end office trunks as specified in the Parties' Interconnection Agreement and the Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms. The Parties agree that SBC ILECs originating traffic will be delivered to KMC's existing POI arrangements in the LATA where the traffic originates in accordance with the POI requirements set forth in KMC's underlying Agreement and Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms. There shall be no limitation on the amount of out of area Local Traffic that can be exchanged between KMC and SBC Wisconsin over direct end office trunks where such traffic is terminated to end users served by the affected end office.

- III 10.3. The compensation arrangements for all types of traffic exchanged between the Parties shall be as set forth in the Parties' Interconnection Agreement and the Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms.
- III.10.4. KMC agrees that it may not obtain Unbundled Network Elements, collocation, resale and/or any other rights under 251(c) of the Act for use to provide telecommunications services outside of SBC Wisconsin Incumbent exchange areas.

2.0. MISCELLANEOUS

- 2.1. This Amendment shall not modify or extend the Effective Date or Term of the underlying Agreement nor the Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms, but rather, this Amendment shall be coterminous with the underlying Agreement.
- 2.2. EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT AND THE AMENDMENT SUPERCEDING CERTAIN RECIPROCAL COMPENSATION, INTERCONNECTION AND TRUNKING TERMS SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.
- 2.3. This Amendment shall be filed by SBC Wisconsin with and is subject to approval by the Public Service Commission of Wisconsin (PSC) and shall become effective ten (10) days following approval by the PSC.
- 2.4. The Parties acknowledge that in the Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms they

waived any rights they may have under the Intervening/Change in Law provisions of the Agreement with respect to reciprocal compensation or compensable traffic (as defined in the Amendment Superceding Certain Reciprocal Compensation, Interconnection and Trunking Terms), POIs or trunking requirements that are subject to that Amendment for the period June 1, 2001 through May 31, 2004.. The Parties acknowledge and agree that neither Party, with respect to this Amendment, waives any of its rights, remedies or arguments, other than those expressly acknowledged herein for the specific time frame specified. In particular, but not by way of limitation, neither Party waives any rights or remedies, or the right to make arguments in favor of certain rights and/or remedies, with respect to any orders, decisions or proceedings and any remands thereof, including but not limited to its rights under the United States Supreme Court's opinion in *Verizon v. FCC, et al*, 535 U.S. 467 (2002); the D.C. Circuit's decision in *United States Telecom Association, et. al v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) ("*USTA decision*"); the FCC's Triennial Review Order, adopted on February 20, 2003, on remand from the *USTA* decision and pursuant to the FCC's Notice of Proposed Rulemaking, *Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, CC Docket No. 01-338 (FCC 01-361) (rel. Dec. 20, 2001); or the FCC's Order *In the Matter of the Local Competition Provisions of the Telecommunications Act of 1996*, 15 FCC Rcd 1760 (FCC 99-370) (rel. Nov. 24, 1999), including its Supplemental Order Clarification (FCC 00-183) (rel. June 2, 2000), in CC Docket 96-98. Rather, in entering into this Amendment, with the exception of the waiver in the Amendment Superceding Certain Reciprocal Compensation, Interconnection and Trunking Terms expressly acknowledged above, each Party fully reserves all of its rights, remedies and arguments with respect to any decisions, orders or proceedings, including but not limited to its right to dispute whether any UNEs and/or UNE combinations identified in the Agreement and this Amendment must be provided under Sections 251(c)(3) and 251(d) of the Act, and under this Amendment. Notwithstanding anything to the contrary in this Agreement and in addition to fully reserving its other rights, SBC ILEC reserves its right to exercise its option at any time in the future to adopt on a date specified by SBC ILEC the FCC ISP terminating compensation plan as set forth in the Federal Communications Commission's Order on Remand and Report and Order, *In the Matter of Implementation of the Local competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound traffic*, FCC 01-131, CC Docket Nos. 96-98, 99-68 (rel. April 27, 2001), after which date ISP-bound traffic will be subject to the FCC's prescribed terminating compensation rates, and other terms and conditions. Notwithstanding the foregoing, the Parties recognize that SBC ILEC's election of the FCC ISP terminating compensation plan shall have no

impact on the Parties rights and/or obligations as set forth under the Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms during the term of that Amendment. In the event that a state or federal regulatory or legislative body or a court of competent jurisdiction, in any proceeding, finds, rules and/or otherwise orders that any of the UNEs and/or UNE combinations provided for under this Agreement and this Amendment do not meet the necessary and impair standards set forth in Section 251(d)(2) of the Act, either Party ("Noticing Party") may invoke the intervening law (change in law) provisions of the underlying Agreement. The Parties shall commence negotiations for the appropriate conforming modifications consistent with the provisions set forth in the underlying Agreement. If the Parties are unable to agree upon the conforming modifications required, any disputes between the Parties concerning the interpretations of the actions required or the provisions affected by such order shall be handled under the Dispute Resolution Procedures set forth in the underlying Agreement.

IN WITNESS WHEREOF, this Amendment to the Agreement was exchanged in triplicate on this _____ day of _____, 2003, by SBC Wisconsin, signing by and through its duly authorized representative, and KMC, signing by and through its duly authorized representative.

KMC Telecom, Inc.

**Wisconsin Bell, Inc. d/b/a SBC Wisconsin by
SBC Telecommunications, Inc., its
authorized agent**

Signature:_____

Signature:_____

Name: Riley M. Murphy

Name:_____

Title: _Sr. Vice President –
Legal and Regulatory

Title: President - Industry Markets

Date:_____

Date:_____